

**FIRST REAL ESTATE INVESTMENT TRUST
2016 FIRST QUARTER UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT**

First Real Estate Investment Trust ("First REIT") is a real estate investment trust constituted by the Trust Deed entered into on 19 October 2006 between Bowsprit Capital Corporation Limited as the Manager and HSBC Institutional Trust Services (Singapore) Limited as the Trustee. First REIT was listed on the Singapore Exchange Securities Trading Limited on 11 December 2006.

First REIT is Singapore's first healthcare real estate investment trust that aims to invest in a diversified portfolio of income-producing real estate and / or real estate-related assets in Asia that are primarily used for healthcare and / or healthcare-related purposes.

Managed by Bowsprit Capital Corporation Limited, First REIT's portfolio consists of seventeen properties located in Indonesia, Singapore and South Korea, namely 1) Siloam Hospitals Lippo Village, 2) Siloam Hospitals Kebon Jeruk, 3) Siloam Hospitals Surabaya, 4) Imperial Aryaduta Hotel & Country Club, 5) Mochtar Riady Comprehensive Cancer Centre, 6) Siloam Hospitals Lippo Cikarang, 7) Siloam Hospitals Manado & Hotel Aryaduta Manado, 8) Siloam Hospitals Makassar, 9) Siloam Hospitals Bali, 10) Siloam Hospitals TB Simatupang, 11) Siloam Hospitals Purwakarta, 12) Siloam Sriwijaya, 13) Siloam Hospitals Kupang & Lippo Plaza Kupang, 14) Pacific Healthcare Nursing Home @ Bukit Merah, 15) Pacific Healthcare Nursing Home II @ Bukit Panjang, 16) The Lentor Residence and 17) Sarang Hospital.

Its hospital assets in Indonesia are operated by PT Siloam International Hospitals Tbk, a subsidiary of PT Lippo Karawaci Tbk, a strong brand name in the Indonesian healthcare industry supported by a team of international healthcare professionals whereas The Imperial Aryaduta Hotel & Country Club and Hotel Aryaduta Manado are operated by The Aryaduta Hotel and Resort Group. The Lippo Plaza Kupang is managed by PT Lippo Malls Indonesia. In Singapore, the nursing homes at Bukit Merah and Bukit Panjang are operated by Pacific Healthcare Nursing Home Pte. Ltd. and Pacific Eldercare and Nursing Pte. Ltd., respectively. The Lentor Residence is operated by The Lentor Residence Pte. Ltd. In South Korea, the Sarang Hospital is operated by a private doctor.

Through First REIT, investors can participate in an asset class that has a focus towards Asia's growing healthcare sector, which is boosted by an increase in life expectancy in Indonesia and the rest of Southeast Asia.

FIRST REAL ESTATE INVESTMENT TRUST
2016 FIRST QUARTER UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT

Summary of First REIT's results

	Group		
	1Q 2016	1Q 2015	Change
	S\$'000	S\$'000	%
Gross Revenue	26,496	24,743	7.1%
Net Property Income	26,207	24,246	8.1%
Distributable Amount	16,197	15,252	6.2%
Distribution per unit (cts)	2.11	2.06	2.4%
Annualised Distribution per unit (cts)	8.49	8.30 ¹	2.3%

Note:

- 1) Actual distribution paid for FY 2015.

Distribution Details

Distribution	1 January 2016 to 31 March 2016
Distribution type	(a) Taxable income (b) Tax-exempt income (c) Capital distribution
Distribution rate	Total : 2.11 cents per unit (a) Taxable income distribution - 0.08 cents per unit (b) Tax-exempt income distribution - 1.12 cents per unit (c) Capital distribution - 0.91 cents per unit
Book closure date	26 April 2016 at 5.00 pm
Ex-dividend date	22 April 2016 at 9.00 am
Payment date	30 May 2016

Distribution Reinvestment Plan ("DRP")

The DRP will apply to the above distribution. The Manager will announce the pricing of the DRP units to be issued which will be based on the market price less a discount of 3% (similar to previous DRPs) on 26 April 2016.

Overseas unitholders who wish to be eligible to participate in the DRP should provide an address in Singapore for service of notices and documents to the Manager c/o The Central Depository Pte Limited ("CDP"), 9 North Buona Vista Drive #01-19/20 The Metropolis Singapore 138588, not later than three market days prior to the book closure date. Unitholders should note that all correspondences and notices will be sent to their last registered address with CDP.

FIRST REAL ESTATE INVESTMENT TRUST
2016 FIRST QUARTER UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT

1(a)(i) Statement of Comprehensive Income

	Note	Group		
		1Q 2016	1Q 2015	Change
		S\$'000	S\$'000	%
Gross revenue		26,496	24,743	7.1%
Property operating expenses	1	(289)	(497)	(41.9%)
Net property income		26,207	24,246	8.1%
Interest income	2	121	44	175.0%
Manager's management fees		(2,615)	(2,403)	8.8%
Trustee fees		(98)	(93)	5.4%
Finance costs		(4,621)	(3,974)	16.3%
Other expenses	3	(934)	(1,032)	(9.5%)
Net income before the undernoted		18,060	16,788	7.6%
Gain on divestment of investment property	4	512	-	NM
Net change in fair value of derivative financial instruments	5	(2,525)	562	NM
Total return for the period before income tax		16,047	17,350	(7.5%)
Income tax expense	6	(4,534)	(3,960)	14.5%
Total return for the period after income tax		11,513	13,390	(14.0%)
Other comprehensive income:				
Exchange differences on translating foreign operations, net of tax		(547)	346	NM
Total comprehensive income for the period		10,966	13,736	(20.2%)

Note:

NM - Not meaningful

The results for 1Q 2016 includes the full quarter contribution from Siloam Hospitals Kupang & Lippo Plaza Kupang ("Kupang Property") which was acquired in December 2015.

- 1) Property operating expenses for 1Q 2016 decreased to S\$0.3 million compared to 1Q 2015 mainly due to lower expenses incurred for Sarang Hospital partly offset by land title renewal costs for an Indonesia property.
- 2) Interest income for 1Q 2016 increased to S\$121,000 compared to 1Q 2015 mainly due to the return from the first progress payment made in March 2016 for the development works on new Siloam Hospitals Surabaya.
- 3) Other expenses for 1Q 2016 decreased to S\$934,000 compared to 1Q 2015 mainly due to unrealised exchange gains on USD loan partly offset by expenses incurred for Multi-currency Medium Term Note ("MTN") consent solicitation exercise and the costs related to proposed transaction for Siloam Hospitals Surabaya.
- 4) Gain on divestment of investment property relates to the divestment of Plot B of the existing Siloam Hospitals Surabaya.

FIRST REAL ESTATE INVESTMENT TRUST
2016 FIRST QUARTER UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT

- 5) Net change in fair value of derivative financial instruments relates to the revaluation of interest rate swap contracts.
- 6) Income tax expenses for 1Q 2016 increased to S\$4.5 million compared to 1Q 2015 mainly due to higher revenue and the taxes paid in relation to the divestment of Plot B of existing Siloam Hospitals Surabaya.

1(a)(ii) Statement of Distribution

	Group		
	1Q 2016	1Q 2015	Change
	S\$'000	S\$'000	%
Total return for the period after income tax	11,513	13,390	(14.0%)
Adjustments for tax purposes:			
- Manager's management fees payable in units	1,833	1,685	8.8%
- Foreign exchange adjustment (gain)/loss	(893)	749	NM
- Net change in fair value of derivative financial instruments	2,525	(562)	NM
- Gain on divestment of investment property net of tax	(122)	-	NM
- Costs related to proposed transaction of Siloam Hospitals Surabaya	787	-	NM
- Costs related to MTN consent solicitation exercise	554	-	NM
- Others	-	(10)	NM
Total available for distribution to Unitholders	16,197	15,252	6.2%
Unitholders' distribution:			
- as distributions from operations	9,225	10,088	(8.6%)
- as distribution of Unitholders' capital contribution	6,972	5,164	35.0%
Distribution amount to Unitholders	16,197	15,252	6.2%

Note :

NM – Not meaningful

FIRST REAL ESTATE INVESTMENT TRUST
2016 FIRST QUARTER UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT

1(b)(i) Statements of Financial Position

	Note	Group		Trust	
		31 Mar 2016	31 Dec 2015	31 Mar 2016	31 Dec 2015
		<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Assets					
Non-current Assets					
Investment properties	1	1,260,296	1,268,306	37,944	37,900
Investments in subsidiaries	2	-	-	752,668	748,258
Loan receivable, non-current		-	-	52,761	53,330
Deferred tax assets		754	754	754	754
Derivative financial instruments		30	2,131	30	2,131
Total non-current assets		1,261,080	1,271,191	844,157	842,373
Current Assets					
Trade and other receivables, current	2	31,473	14,512	4,240	2,453
Loan receivable, current		-	-	4,191	4,823
Other assets, current		2,864	2,632	239	328
Cash and cash equivalents		28,765	26,827	22,796	23,606
Total current assets		63,102	43,971	31,466	31,210
Total Assets		1,324,182	1,315,162	875,623	873,583
Unitholders' Funds and Liabilities					
Unitholders' Funds					
Issued equity		436,878	439,045	436,878	439,045
Retained earnings/(Accumulated losses)		353,154	350,507	(42,022)	(37,608)
Foreign exchange reserve		1,002	1,549	-	-
Total Unitholders' Funds		791,034	791,101	394,856	401,437
Non-current Liabilities					
Deferred tax liabilities		42,104	42,104	-	-
Other financial liabilities, non-current	3	407,683	398,291	407,683	398,291
Derivative financial instruments		423	-	423	-
Total non-current liabilities		450,210	440,395	408,106	398,291
Current Liabilities					
Income tax payable		2,035	778	-	-
Trade and other payable, current		15,041	17,360	26,385	27,716
Other financial liabilities, current		44,400	44,274	44,400	44,274
Other liabilities, current		21,462	21,254	1,876	1,865
Total current liabilities		82,938	83,666	72,661	73,855
Total Liabilities		533,148	524,061	480,767	472,146
Total Unitholders' Funds and Liabilities		1,324,182	1,315,162	875,623	873,583

FIRST REAL ESTATE INVESTMENT TRUST
2016 FIRST QUARTER UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT

Note:

- 1) Investment properties decreased from S\$1,268.3 million to S\$1,260.3 million mainly due to divestment of Plot B of existing Siloam Hospitals Surabaya.
- 2) Trade and other receivables increased from S\$14.5 million to S\$31.5 million mainly due to the first progress payment for the development works on new Siloam Hospitals Surabaya.
- 3) Other financial liabilities, non-current increased from S\$398.3 million to S\$407.7 million mainly due to drawdown of loan to part finance the first progress payment for the development works on new Siloam Hospitals Surabaya.

1(b)(ii) Borrowings and Debt Securities

	Group		Trust	
	31 Mar 2016	31 Dec 2015	31 Mar 2016	31 Dec 2015
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Amount repayable after one year				
Secured	301,683	302,577	301,683	302,577
Unsecured	110,000	100,000	110,000	100,000
Less: Transaction costs	(4,000)	(4,286)	(4,000)	(4,286)
Total Borrowings, Non-current	407,683	398,291	407,683	398,291
Amount repayable within one year				
Secured *	45,000	45,000	45,000	45,000
Unsecured	-	-	-	-
Less: Transaction costs	(600)	(726)	(600)	(726)
Total Borrowings, Current	44,400	44,274	44,400	44,274

Details of Collaterals

As security for the borrowings, the following have been granted in favour of the lenders :

- (a) a mortgage over all the investment properties except Sarang Hospital, Siloam Hospitals Surabaya and Siloam Sriwijaya.
- (b) pledge of shares of all the subsidiaries except Kalmore (Korea) Limited, Kalmore Investments Pte Ltd, Sriwijaya Investment I Pte Ltd, Sriwijaya Investment II Pte Ltd and Surabaya Hospitals Investment Pte Ltd.

Interest Rate Swaps

First REIT has entered into interest rate swaps to hedge the floating rate loan facilities with banks. The change in fair value of the interest rate swaps were recognised in the Statement of Total Return.

Note:

* The total borrowings, current relates to a 4 years and 5 years revolving credit facilities granted by a bank which will only be due on December 2019 and May 2020 respectively.

FIRST REAL ESTATE INVESTMENT TRUST
2016 FIRST QUARTER UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT

1(c) Statement of Cash Flows

		Group	
		1Q 2016	1Q 2015
Note		S\$'000	S\$'000
Cash flows from operating activities			
	Total return before income tax	16,047	17,350
	Interest income	(121)	(44)
	Interest expense	4,225	3,645
	Amortisation of borrowing costs	396	329
	Foreign exchange adjustment (gain)/loss	(893)	749
	Net change in fair value on derivative financial instruments	2,525	(562)
	Gain on divestment of investment property	(512)	-
	Manager's management fees settled in units	916	1,685
	Operating cash flows before changes in working capital	22,583	23,152
	Trade and other receivables, current	922	(1,891)
	Other assets, current	(232)	138
	Trade and other payables, current	(1,085)	(1,217)
	Other liabilities	208	(362)
	Net cash flows from operating activities before income tax	22,396	19,820
	Income taxes paid	(3,278)	(2,173)
	Net cash flows from operating activities	19,118	17,647
Cash flows from investing activities			
	Interest received	130	41
	Increase in investment properties	(44)	(48)
1	Payment of progress payment - other receivables	(18,035)	-
	Net cash flows used in investing activities	(17,949)	(7)
Cash flows from financing activities			
	Interest paid	(4,483)	(2,610)
2	Increase in borrowings	9,945	-
3	Net proceed from divestment of investment property	8,161	-
	Distribution to Unitholders	(12,854)	(11,395)
	Net cash flows from/(used in) financing activities	769	(14,005)
	Net increase in cash and cash equivalents	1,938	3,635
	Cash and cash equivalents at beginning of the period	26,827	28,230
	Cash and cash equivalents at end of the period	28,765	31,865

Note:

- 1) The payment of progress payment - other receivables relates to the first progress payment made for the development works on the new Siloam Hospitals Surabaya.
- 2) The increase in borrowings is due to the loan drawdown to part finance the first progress payment for the development works on the new Siloam Hospitals Surabaya.
- 3) The net proceed from divestment of investment property is for the divestment of Plot B of existing Siloam Hospitals Surabaya.

FIRST REAL ESTATE INVESTMENT TRUST
2016 FIRST QUARTER UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT

1(d)(i) Statements of Changes in Unitholders' Funds

	Group		Trust	
	1Q 2016	1Q 2015	1Q 2016	1Q 2015
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Balance at beginning of the financial period	791,101	744,950	401,437	394,273
<u>Operations</u>				
Total return after tax	11,513	13,390	4,452	8,211
<u>Translation transactions</u>				
Net movement in foreign exchange reserve	(547)	346	-	-
<u>Unitholders' transactions</u>				
Manager's management fees paid in units	1,821	1,938	1,821	1,938
Purchase consideration paid in units	-	6,000	-	6,000
Issuance of units (DRP)	2,851	3,560	2,851	3,560
Distribution to Unitholders	(15,705)	(14,955)	(15,705)	(14,955)
Balance at end of the financial period	791,034	755,229	394,856	399,027

1(d)(ii) Details of any changes in the issued and issuable units

	Trust	
	1Q 2016	1Q 2015
Balance at beginning of period	761,567,027	731,702,488
Unitholders transactions:		
- Manager's management fees paid in units	1,537,408	1,565,297
- Purchase consideration paid in units	-	4,804,612
- Issuance of new units (DRP)	2,503,288	2,805,806
Balance at end of period	765,607,723	740,878,203
New units to be issued		
- Manager's management fees payable in units	743,803	1,232,838
Total issued and issuable units	766,351,526	742,111,041

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of current financial period and as at the end of the immediately preceding year

	Trust	
	31 Mar 2016	31 Dec 2015
Issued units at end of period	765,607,723	761,567,027

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable.

FIRST REAL ESTATE INVESTMENT TRUST
2016 FIRST QUARTER UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT

2. **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice**

The figures have not been audited or reviewed by our auditors.

3. **Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter)**

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied**

Except as disclosed in paragraph 5 below, the accounting policies and methods of computation applied in the financial statements for the current financial period are consistent with those applied in the audited financial statements for the year ended 31 December 2015.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Not applicable.

6. **Earnings per unit ("EPU") and available distribution per unit ("DPU") for the financial period**

	Group	
	1Q 2016	1Q 2015
<u>Earnings per unit</u>		
Weighted average number of units in issue	763,680,609	738,644,164
<u>Earnings per unit in cents</u>		
Basic and fully diluted basis	1.51	1.81
<u>Distribution per unit</u>		
Number of units in issue	765,607,723	740,878,203
<u>Distribution per unit in cents</u>		
Based on the number of units in issue at the end of the period	2.11	2.06

7. **Net asset value ("NAV") per unit/Net Tangible Assets ("NTA") per unit at the end of the period**

	Group		Trust	
	31 Mar 2016	31 Dec 2015	31 Mar 2016	31 Dec 2015
NAV/NTA per unit (cents)	103.32	103.88	51.57	52.71

8. Review of the performance

1Q 2016 vs 1Q 2015

The results for this quarter includes the full quarter contribution from First REIT's latest property, Siloam Hospitals Kupang & Lippo Plaza Kupang ("Kupang Property") which was acquired in December 2015.

Gross revenue for 1Q 2016 increased by 7.1% to S\$26.5 million compared to 1Q 2015, mainly due to the contribution from Kupang Property.

Property operating expenses for 1Q 2016 decreased by 41.9% to S\$289,000 compared to 1Q 2015, mainly due to the lower expenses incurred for Sarang Hospital partly offset by land title renewal costs for an Indonesia property.

Interest income for 1Q 2016 increased to S\$121,000 compared to 1Q 2015, mainly due to the return from the payment of the first progress payment for the development works on new Siloam Hospitals Surabaya.

Manager's management fees for 1Q 2016 increased by 8.8% to S\$2.6 million compared to 1Q 2015, mainly due to higher net property income and total assets.

Trustee fees for 1Q 2016 increased by 5.4% to S\$98,000 compared to 1Q 2015, mainly due to higher total assets.

Finance costs for 1Q 2016 increased by 16.3% to S\$4.6 million compared to 1Q 2015, mainly due to the higher loan amounts to part finance the acquisition of Kupang Property and the first progress payment for the development works of new Siloam Hospitals Surabaya.

Other expenses for 1Q 2016 decreased to S\$934,000 as compared to 1Q 2015, mainly due to higher unrealised exchange gain on USD loan partly offset by the expenses incurred for the MTN consent solicitation exercise and the costs related to proposed transaction for Siloam Hospitals Surabaya.

Net change in fair value of derivative financial instruments relates to the revaluation of interest rate swap contracts.

Income tax for 1Q 2016 increased by 14.5% to S\$4.5 million compared to 1Q 2015, mainly due to the higher rental income and tax incurred for the divestment of Plot B of existing Siloam Hospitals Surabaya.

9. Variance between the forecast or prospectus statement (if disclosed previously) and the actual results

First REIT has not disclosed any forecast to the market.

The results for this quarter is in line with the commentary made in paragraph 10 of the previous quarter.

10. Commentary on the competitive conditions of the industry

Economic growth in Indonesia picked up speed in the last quarter of 2015, driven by government spending on infrastructure. To further boost growth, Indonesia's central bank cut its main interest rate for the third consecutive month in March 2016 amidst the strengthening Rupiah. The Indonesian government also unveiled plans to loosen restrictions on foreign ownership of businesses in various sectors including the lifting of the ban on foreign ownership in healthcare-related businesses. This is expected to further spur the expansion of the healthcare sector, which is already seeing increasing demand for healthcare services and hospital beds with the introduction of *Jaminan Kesehatan Nasional*, the national health insurance scheme by the Indonesia government since 2014. First REIT will continue to keep a lookout for acquisition opportunities in this expanding sector, backed by a strong pipeline of 44 hospitals from its Sponsor, PT Lippo Karawaci Tbk ("Lippo Karawaci"), to which it has a right-of-first-refusal.

On 3 February 2016, the Trust announced its first joint acquisition with Lippo Malls Indonesia Retail Trust for an integrated development strategically located in Yogyakarta, Indonesia, from Lippo Karawaci. The property is a 10-storey building with one basement and one mezzanine level on a total land area of 13,715 square metres, which comprises Siloam Hospitals Yogyakarta ("**SHYG**") and a retail mall - Lippo Plaza Jogja. First REIT will acquire SHYG at S\$40.82 million, a 9.69% discount to the higher of two independent valuations of S\$45.20 million. Upon Unitholders' approval at an extraordinary general meeting, SHYG will boost the Trust's portfolio to 18 properties and strengthen its asset base by 3.15% to S\$1.31 billion from S\$1.27 billion, as well as bolster its income stream and deliver increased returns to Unitholders.

FIRST REAL ESTATE INVESTMENT TRUST
2016 FIRST QUARTER UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT

11. Distributions

11(a) Current financial period

Any distributions declared for the current financial period? Yes

Distribution Type

Name of Distribution: Distribution for the period from 1 January 2016 to 31 March 2016

i. Distribution Type: Income / Capital

Distribution Type	Distribution Rate (cents per unit)
Taxable Income	0.08
Tax-Exempt Income	1.12
Capital	0.91
Total	2.11

The DRP applies to the above distribution. The Manager will announce the pricing of the DRP units to be issued which will be based on the market price less a discount of 3% (similar to previous DRPs) on 26 April 2016.

Overseas unitholders who wish to be eligible to participate in the DRP should provide an address in Singapore for service of notices and documents to the Manager c/o The Central Depository Pte Ltd ("CDP"), 9 Buona Vista Drive, #01-19/20, The Metropolis Singapore 138588, not later than three market days prior to the book closure date. Unitholders should note that all correspondences and notices will be sent to their last registered address with CDP.

Tax Rate:

Taxable Income Distribution

Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from Singapore income tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Tax-Exempt Income Distribution

Tax-Exempt Income Distribution is exempt from Singapore income tax in the hands of all unitholders.

Capital Distribution

Capital Distribution represents a return of capital to unitholders for Singapore income tax purposes and is therefore not subject to Singapore income tax. For unitholders who are liable to Singapore income tax on profits from the sale of First REIT Units, the amount of Capital Distribution will be applied to reduce the cost base of their First REIT Units for Singapore income tax purposes.

FIRST REAL ESTATE INVESTMENT TRUST
2016 FIRST QUARTER UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT

11. Distributions(Cont'd)

11(b) Corresponding period of the immediately preceding period

Any distributions declared for the corresponding period of the immediate preceding period? Yes

Distribution Type

Name of Distribution: Distribution for the period from 1 January 2015 to 31 March 2015

i. Distribution Type: Income / Capital

Distribution Type	Distribution Rate (cents per unit)
Taxable Income	0.08
Tax-Exempt Income	1.28
Capital	0.70
Total	2.06

Tax Rate:

Taxable Income Distribution

Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from Singapore income tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Tax-Exempt Income Distribution

Tax-Exempt Income Distribution is exempt from Singapore income tax in the hands of all unitholders.

Capital Distribution

Capital Distribution represents a return of capital to unitholders for Singapore income tax purposes and is therefore not subject to Singapore income tax. For unitholders who are liable to Singapore income tax on profits from the sale of First REIT Units, the amount of Capital Distribution will be applied to reduce the cost base of their First REIT Units for Singapore income tax purposes.

11(c) Book closure date: The Transfer Books and Register of Unitholders of First Real Estate Investment Trust will be closed at 5.00p.m. on 26 April 2016 for the purposes of determining each Unitholder's entitlement to First REIT's distribution. The ex-dividend date will be on 22 April 2016 at 9.00am.

11(d) Date Payable: 30 May 2016

12. If no distribution has been declared/recommended, a statement to that effect

Not applicable.

13. If no IPT mandate has been obtained, a statement to that effect

First REIT has not obtained a general mandate from unitholders.

14. Certificate pursuant to Paragraph 7.3 of the Property Funds Guidelines

The Manager hereby certifies that in relation to the distribution to the unitholders of First REIT for the quarter ended 31 March 2016:

- 1) First REIT will declare a distribution ("Distribution") in excess of its profits (defined as the total return for the period before distribution for the purpose of this certification). The excess is attributed to capital receipts comprising amounts received by First REIT from the redemption of redeemable preference shares in the Singapore special purpose companies ("SPCs") and the shareholder loan repayment by the Singapore SPC.
- 2) The Manager is satisfied on reasonable grounds that, immediately after making the Distribution, First REIT will be able to fulfill, from its deposited properties, its liabilities as they fall due.

The distribution is computed based on the accounts of First REIT for the quarter ended 31 March 2016 and is verified by our external tax consultant.

First REIT's current distribution policy is to distribute at least 90.0% of its tax-exempt income (after deduction of applicable expenses) and capital receipts.

15. Confirmation that the Issuer has procured undertakings from all its directors and executive officers under Rule 720(1)

The Manager do hereby confirms that it has procured undertakings from all the directors and executive.

16. Confirmation by the Board pursuant to Rule 705(4) of the Listing Manual

The Board of Directors of Bowsprit Capital Corporation Limited do hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render these interim financial results to be false or misleading in any material respect.

BY ORDER OF THE BOARD OF
BOWSPRIT CAPITAL CORPORATION LIMITED
(AS MANAGER OF FIRST REAL ESTATE INVESTMENT TRUST)

Dr Ronnie Tan Keh Poo @ Tan Kay Poo
Chief Executive Officer
18 April 2016